

***Full Cost Decision Memorandum: Under-used civil service capacity (WF-08)***

***Issue:***

How does the Center deal with underutilized civil service workforce capacity?

***Source / reference:***

LaRC Full Cost Implementation Team (2003-2004)  
LaRC Office of the Chief Financial Officer (OCFO)  
LaRC Office of Human Resources (OHR)

***Background:***

The ability for organizations to fully deploy workforce is dependent upon project requirements and technical demand. In that regard, circumstances may exist in which workforce is unassigned.

***Options:***

1. Charge unassigned workforce to S&E pool and spread to customers in the rates
2. Charge unassigned workforce to Center G&A until they may be re-assigned

***Decision:***

Option 2 - Underutilized capacity is planned in the Workforce Planning System (WPS) by allocating Full Time Equivalents (FTEs) to the G&A Investment account. This account was established in order to handle workforce in transition for the upcoming execution year and out-years. These FTEs are budgeted against the G&A Investment account and managed against other Center Investments. Staffing for new work or re-staffing/back-filling of existing plans must evaluate the FTEs in this account for compatible competencies. These Transition FTEs will be given first consideration when project demands require additional FTE. In that regard, every effort must be made to move FTEs out of the transition area and onto meaningful project activities. Inefficiency of transitioning workforce between one project and another must be accounted for during planning so that milestones and full cost budgets can accommodate this potential delay. OHR works with personnel to help ensure optimum employment and transition of employees to other viable positions as needed. If a large number of newly unassigned personnel are identified by a project during the operating year, Center management must evaluate the feasibility of the noted transition approach in light of existing priorities and financial capabilities.

***Approved by LaRC CFO (Ken Winter) 10/17/03***

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